80-1384

Office-Supreme Court, U.S.
FILED
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No. _____

IN THE

Supreme Court of the United States

OCTOBER TERM, 1980

JOSEPH JOHN SHINDELAR, *Petitioner,*

v.

ADIN F. HOLDEMAN, MELVIN V. GAEDDERT, HOWARD J. RATZLAFF, MARTIN E. PRUITT and HOWARD R. LOHRENTZ, *Respondents.*

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF CUSTOMS AND PATENT APPEALS

ROBERT S. SWECKER
Counsel of Record
KIRK M. HUDSON
BURNS, DOANE, SWECKER & MATHIS
George Mason Building
Washington & Prince Streets
Alexandria, Virginia 22313
(703) 836-6620
H. VINCENT HARSHA
JOHN M. NOLAN
DEERE & COMPANY
John Deere Road
Moline, Illinois 61265
Counsel for Petitioner

PRESS OF BYRON S. ADAMS PRINTING, INC., WASHINGTON, D.C.

QUESTIONS PRESENTED

1. Is there a Constitutionally mandated public policy expressed in the Patent Laws favoring as between competing inventors the first to invent over the first to file a patent application?

2. Has the Court below violated the mandate of Congress and improperly engrafted a requirement on the statute, 35 U.S.C. §102(g), that in an interference the first inventor who is the second to file will be deprived of his patent rights unless he can prove he "promptly" filed and/or is the "more deserving" inventor?

3. Does the "prompt filing/more deserving" requirement created by the Court below violate due process as applied in the present case?

4. Is intent or time the controlling factor in deciding a question of "suppression or concealment" under 35 U.S.C. §102(g)?*

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* The parties to the proceeding in the United States Court of Customs and Patent Appeals were those listed in the caption. The real party in interest as to the party Shindelar is Deere & Company and as to the party Holdeman et al is Hesston Corporation, which is partly owned by Fiat, an Italian corporation.

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PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF CUSTOMS AND PATENT APPEALS

The Petitioner, Joseph John Shindelar, respectfully prays that a Writ of Certiorari issue to review the judgement and opinion of the United States Court of Customs and Patent Appeals entered in this proceeding on September 4, 1980.

OPINIONS BELOW

The opinion of the Court of Customs and Patent Appeals appears in Appendix A, and is reported in 628 F.2d 1337 and 207 U.S.P.Q. 112.

JURISDICTION OF THIS COURT

The judgement of the Court below (Appendix A, p. 10a) was entered on September 4, 1980. A petition for

rehearing was timely filed on September 25, 1980. Rehearing was denied by order entered on November 20, 1980 (Appendix D, p. 43a). This Court's jurisdiction is invoked under 28 U.S.C. §1256 (Appendix E, p. 45a).

CONSTITUTIONAL PROVISIONS, STATUTES AND RULES INVOLVED

This case involves the following provisions of the United States Constitution: the Patent and Copyright clause of Article I, Section 8; and the Due Process Clause of Amendment V.

This case involves the following statutes: 28 U.S.C. §1256 and 35 U.S.C. §102(b), §102(c), §102(g), §135(a) and §141.

This case involves the following regulations: 37 C.F.R. §1.56(a), §1.257(a) and §1.258(a).

All of the above cited Constitutional provisions, statutes and regulations are set out verbatim in Appendix E.

STATEMENT OF THE CASE

In the fall of 1972, Joseph J. Shindelar conceived his invention of a hay baler mounted on wheels to be drawn behind a tractor (Appendix A, p. 3a). The new concept involves rolling the hay into a bale along the ground and after the bale reaches a predetermined size, the mechanism lifts the bale into a bale chamber where the formation of the bale continues (Appendix A, p. 2a). Shindelar made sketches of his concept and discussed it with a project engineer and a machinery designer, both of whom were employed by Deere & Company (Appendix B, p. 17a).

A hay baler incorporating Shindelar's concept was constructed by Deere & Company in January, 1973 and the machine was shipped to Florida for testing. During January and February, 1973, the machine was operated successfully in baling hay in Florida (Appendix A, p. 3a). The machine was then returned to the Deere & Company factory in Iowa (Appendix C, p. 25a). Shindelar's invention was actually reduced to practice in January, 1973 as a result of the Florida tests.

On June 11, 1975, Shindelar filed in the United States Patent and Trademark Office a patent application on his hay baler invention. Just two days earlier, the Respondents, Holdeman et al, filed a patent application in the United States Patent and Trademark Office claiming the same invention (Appendix A, p. 3a). Since only a single patent can be issued, the Patent and Trademark Office initiated an interference proceeding in accordance with established procedures to determine which of the inventors were entitled to the patent. In the interference proceeding, Shindelar presented evidence of the reduction to practice in January, 1973, which established that Shindelar was the first inventor. Holdeman et al offered no evidence of a prior reduction to practice and simply relied upon the filing date of their patent application, June 9, 1975, as the date on which their invention was reduced to practice (Appendix A, p. 3a).

The Patent and Trademark Office Board of Patent Interferences found that the Shindelar invention was reduced to practice in January of 1973 (Appendix B, p. 20a). Shortly after the reduction to practice, an invention disclosure was submitted to the Patent Department of Deere & Company and an attorney, Mr. Nolan, was assigned the task of preparing and filing a patent application covering the invention. He had a backlog of

patent application disclosures, and it was his practice generally to draft patent applications in the order in which the disclosures were received, except for inventions facing impending statutory bars (Appendix A, p. 4a), such as public use or sale under 35 U.S.C. §102(b) (Appendix E, p. 45a). In the course of working through his backlog and attending to several litigation matters, Mr. Nolan discussed the Shindelar disclosure materials with the inventor and with the inventor's assistant engineer (Appendix B, p. 16a). In January, 1974, Mr. Nolan arranged for a search of prior patents and publications to be made to determine whether the invention was novel and patentable. The application was then prepared and the completed application filed in June of 1975. Neither Mr. Nolan nor Shindelar were aware of any activity by the Respondents, or their employer, Hesston Corporation, in regard to this invention (Appendix A, p. 4a). There is no evidence in the record whether Respondents or Hesston Corporation were aware of the activity of Shindelar or Deere & Company in regard to the invention. Furthermore, there is no evidence in the record as to any activity by the Respondents, and in particular, as to whether the Respondents actually reduced the invention to practice prior to the filing of the application, or as to how promptly the application was filed, since Respondents claim only the filing date of their patent application as the date of their invention.

The Board of Patent Interferences determined that Respondents are entitled to the patent on the ground that the delay of 2 years and 5 months between Shindelar's reduction to practice in January, 1973, and the filing of the patent application in June, 1975, is "prima facie" an "unreasonable" delay which was not overcome by the workload of the Deere patent attorney,

and thus suppression or concealment under 35 U.S.C. §102(g) (Appendix B, p. 22a). The Board and the CCPA found as a fact that there was always an intent by Deere & Company to file a patent application on the Shindelar invention, and the only reason Mr. Nolan did not file the application earlier was his work load in the Deere & Company Patent Department (Appendix A, p. 4a, Appendix B, p. 20a).

In reaching its decision, the Board acknowledged that it could find no case in which an intent to suppress or conceal was inferred where the period between the reduction to practice and the filing of the application was less than four years. The Board went on to state (Appendix B, p. 21a):

> "Nor have we found any specific guidelines in any case as to what the lower limit of an unreasonable period might be, except to the extent stated in the discussion on the subject of suppression or concealment in the concurring opinion of Judge Rich in the case of Young v. Dworkin, 489 F.2d 1277, 180 U.S.P.Q. 388 (C.C.P.A. 1974).

Petitioner appealed to the Court of Customs and Patent Appeals (CCPA) under 35 U.S.C. §141 (Appendix E, p. 46a). The CCPA affirmed. In its opinion, the Court first referred to a public policy purportedly inherent in 35 U.S.C. §102(g) (Appendix A, p. 6a), favoring the inventor who files his patent application promptly. In other words, the Court stated that the law prefers and will reward earlier disclosure over earlier invention (Appendix A, p. 7a). The Court acknowledged that "there is no law requiring an inventor to apply for a patent or to apply within any particular time . . ." (Appendix A, p. 7a). Nevertheless, the Court concluded that in an interference context, suppression or concealment

under 35 U.S.C. §102(g) may be found when "one is not disclosing or acting to disclose the invention to the public or to the PTO in a patent application where the failure to disclose is unexcused" (Appendix A, p. 7a). The Court adopted a three-month benchmark as a reasonable standard and then concluded that Petitioner's delay of 2 years and 5 months between the reduction to practice and the filing of the patent application was not excused by the patent attorney's workload. The Court failed to comment on the fact that, as found by the Board of Patent Interferences, there was always an intent by Shindelar and Deere & Company to file the patent application (Appendix A, p. 8a-9a). The Court, nevertheless, concluded that the length of the delay raised an inference of intent to abandon or suppress, citing its prior decision in *Peeler* v. *Miller*, 535 F.2d 647 (C.C.P.A. 1976) (Appendix A, p. 9a).

REASONS FOR GRANTING THE PETITION

1. The Decision Of The CCPA Awarding The Patent To A Later Inventor Is Contrary To Statutory Authority And Constitutional Policy.

The present case relates to interference practice, which is the child of a fundamental policy underpinning the patent laws — that the first inventor is entitled to the patent for an invention. The only purpose of an interference is to determine priority of invention between competing inventors. Patentability of the invention is not involved. The decision of the CCPA in this case has the effect of negating the basic policy of the patent laws which favors the first to invent, and of replacing that policy with one which favors the first to file for a patent.

Interferences have arisen only relatively infrequently and interference law has acquired a certain reputation, even notoriety, as an arcane subject. However, the issue here presented of first to invent versus first to file cannot be dismissed as involving an obscure point of law. To the contrary, it is a question of vital importance which goes to the heart of the patent system. Some of this country's most important inventions have been the subject of interferences,[1] including, to name but a few, the telephone,[2] the first practical radio circuits,[3] polypropylene plastics,[4] and the laser.[5]

Moreover, the policy of favoring the first to invent is rooted in the Constitution,[6] and the patent statutes in this country have been structured on the first to invent

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[1] The statute in question, 35 U.S.C. §102(g) (Appendix E, p. 46a), also is applied in patent infringement litigation as a defense to the validity of the patent, e.g., *Allen* v. *W.H. Brady Co.*, 508 F.2d 64 (7th Cir. 197 *Amerline Corp.* v. *Cosmo Plastics Co.*, 407 F.2d 666 (7th Cir. 1969); *Int'l Glass Co.* v. *United States*, 408 F.2d 395 (Ct. Cl. 1969); *Hughes Aircraft Co.* v. *Gen. Instrument Corp.*, 275 F. Supp. 961 (D.R.I. 1967), *modified*, 399 F.2d 373 (1st Cir. 1968).

[2] *Dolbear* v. *Am. Bell Tel. Co.*, 126 U.S. 1 (1888).

[3] *RCA* v. *Radio Eng'r Laboratories, Inc.*, 293 U.S. 1 (1934).

[4] *In re Natta*, 388 F.2d 215 (3d Cir. 1968).

[5] *Gould* v. *Schawlow*, 363 F.2d 908 (C.C.P.A. 1966); *Gould* v. *Hellwarth*, 472 F.2d 1383 (C.C.P.A. 1973).

[6] The Patent and Copyright Clause, Article I, Section 8 (Appendix E, p. 45a). The recognition of the first to invent is implicit in this Constitutional language since, as was noted by Justice Storey in his famous *Note on the Patent Laws*, 16 U.S. 655 (1818), the patent law in this country is founded on the corresponding English law, which is embodied in an exception to the Statute of Monopolies that limits the general rule prohibiting monopolies to exclude patents made to "true and first" inventors. The requirement that the patentee must be the "true and first" inventor reflects a basic

policy from the outset.[7] In addition, since the enactment of the present statute, Congress has specifically rejected the first to file concept.[8] There is thus a clear and un-

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policy decision concerning who should be entitled to the extraordinary privilege of a disfavored monopoly, and has been repeatedly recognized by this Court. E.g., *Marconi Wireless Tel Co. of Am.* v. *United States*, 320 U.S. 1 (1943); *RCA* v. *Radio Eng'r Laboratories, Inc., supra* note 3, and the cases cited therein.

[7] The country's first patent act, the Act of April 10, 1790, ch. 7, 1 Stat. 109, provided in Section 1 that inventions "not before known or used" were patentable; provided in Section 5 that District Court judges could repeal patents "obtained surreptitiously", such as where "the patentee was not the first and true inventor"; and provided in Section 6 that infringement suits could be defended by showing that the patentee was not the "first and true inventor". The next patent act, the Act of February 21, 1793, ch. 11, 1 Stat. 318, contained similar provisions referring to "true inventor" instead of "first and true inventor", and providing in Section 9 for binding arbitration "in case of interfering applications." The next patent act, the Act of July 4, 1836, ch. 357, 5 Stat. 117, which was the predecessor of the present act, and the substance of which remained essentially unchanged for over 100 years, created the Patent Office examination system and, in Section 8, procedures for resolving "the question of priority of right of invention." The first-to-invent concept was expressly recognized in Section 15, which provided as one defense to an infringement suit that the plaintiff "had surreptitiously or unjustly obtained the patent for that which was in fact invented or discovered by another, who was using reasonable diligence in adapting and perfecting the same." Similar language has remained in the statute ever since and is reflected in Section 102(g) of the present act. *See generally* 3 *Chisum, Patents* §10.02 (1980).

[8] In 1967, the so-called Patent Reform Bill S.1042 (H.R. 5924), 90th Cong., 1st Sess. (1967), which included provisions converting the U.S. patent system to a first-to-file concept, was rejected by Congress after extensive hearings. *See Hearings on S. 1042 before the Patent, Trademark and Copyright Subcomm. of the Senate Comm. on the Judiciary*, 90th Congress, 1st Sess. (1967), and *Hearings on H.R. 5924 before the Comm. on the Judiciary, House of Representatives*, 90th Congress, 1st Sess. (1967).

equivocal Congressional mandate favoring the first to invent over the first to file.

The authority cited by the CCPA for its decision in the present case is the "abandonment, suppression and concealment" exception to the first to invent rule which is embodied in 35 U.S.C. §102(g) (Appendix E. p. 46a). In its opinion, the CCPA based its denial of the patent to the first inventor on the "public policy inherent in 35 U.S.C. §102(g)", explaining in a footnote that "early public disclosure . . . is fostered by the §102(g) codification of existing law" and "the law prefers and will reward earlier disclosure over earlier invention", citing its own decisions in *Horwath* v. *Lee,* 564 F.2d 948 (C.C.P.A. 1977) and *Young* v. *Dworkin,* 489 F.2d 1277 (C.C.P.A. 1974). (Appendix A, p. 6a.) The Court's error is in misinterpreting the "abandonment, suppression and concealment" exception to the rule favoring the first to invent as a legislative expression of a superior countervailing public policy.

It is clear from the legislative history of the statute that Section 102(g) is merely a codification of the then existing decisional law.[9] The existing law, as reflected in Section 102(g), followed the basic principle that the first to invent is entitled to the patent for an invention. The only exception to this rule which was recognized in the case law existing at the time Section 102(g) was enacted, and the only exception which was included in Section 102(g), is that the first inventor forfeits his right if he has "abandoned, suppressed or concealed" his invention.

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[9] H.R. Rep. No. 1923, 82nd Cong., 2d Sess., Revision Notes, pp. 17-18 (1952); *see also* Federico, *Commentary on the New Patent Act,* 35 USCA 1, 19 (1952).

The abandonment, suppression or concealment exception has its genesis in *Mason* v. *Hepburn,* 13 App. D.C. 86 (1898), which in turn relied on the policy enunciated by this Court in *Kendall* v. *Winsor,* 62 U.S. 322, 328 (1858):

> . . . [t]hat the inventor who, designedly, and with the view of applying it indefinitely and for his own profit, withholds his invention from the public, comes not within the policy or objects of the Constitution or acts by Congress. He does not promote and, if aided by his design, would impede the progress of science and the useful arts; and with very bad grace could he apply for favor or protection to that society which, if he had not injured, he certainly had neither benefited nor intended to benefit. Hence, if during such a concealment an invention similar to or identical with his own should be made or patented or brought into use without a patent, the latter could not be inhibited nor restricted upon proof of its identity with a machine previously invented and withheld and concealed by the inventor from the public.

The clear thrust in *Kendall* is that the inventor by his willful concealment of his invention has forfeited his right to protection under the patent laws. Moreover, with the exception of the CCPA's most recent decisions, *Mason* v. *Hepburn* and the decisions of the CCPA subsequent thereto are consistent in measuring the first inventor's conduct in terms of deliberate acts or omissions demonstrating an intent to abandon, suppress or conceal, and not in terms of the promptness of disclosure or of whether the second inventor is more deserving of a patent. *See, e.g., Gallagher* v. *Smith,* 206 F.2d 939 (C.C.P.A. 1953); *Altorfer* v. *Haag,* 74 F.2d 129 (C.C.P.A. 1934); and *Rhinevault* v. *Pfiester,* 65 F.2d 161 (C.C.P.A. 1933). In *Altorfer,* the court ex-

pressly considered and discounted the significance of the first inventor's lack of promptness (four years) in filing (74 F.2d at 134-135). In *Gallagher,* the court awarded priority to the first inventor, who had delayed seven years in filing his application following actual reduction to practice, because there was no showing that the first inventor willfully or intentionally suppressed or concealed the invention. The *Gallagher* court emphasized that suppression and concealment must be affirmatively established by direct proof, and *cannot* be inferred or presumed merely from the fact of an extended delay in applying for a patent where the invention has been previously reduced to practice (206 F.2d at 946, 947). As codified in 35 U.S.C. §102(g), the doctrine of *Mason* v. *Hepburn* had been sparingly applied only in extreme cases. The CCPA has always recognized, until now, ". . . the danger that might flow from its loose application, and that, unless great caution is observed, it might be gradually extended until its application resulted in far greater inequities than it was designed to cure." *Rhinevault,* 65 F.2d at 164.[10] In the present case, the Board of Patent Interferences specifically found that the invention had been reduced to practice, and that Deere & Company always had the intent to file a patent application on the invention (Appendix B, p. 20a). It is undisputed that Deere & Company did not intend to suppress the invention.

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[10] Also see *Woofter* v. *Carlson,* 367 F.2d 436, 447 (CCPA 1966).

2. Only Congressional Action Can Authorize A Change From A First To Invent To A First To File Patent System.

The CCPA's decision in *Peeler* v. *Miller, supra,* on which the Court also relies in the present case, also awarded the patent to the second inventor on the basis of the Court's "policy question: which of the rival inventors has the greater right to a patent?" (535 F.2d at 653.) A noteworthy concurring opinion in that case was written by Judge Miller, in which he points out that the CCPA has consistently held that suppression or concealment must be deliberate or intentional to overcome the right of the first inventor to the patent (535 F.2d at 655). Judge Miller takes issue with the dictum in the majority opinion which would "engraft onto the statute a policy "favoring . . . the party who expeditiously starts his invention on the path to public disclosure . . . by filing a patent application" (535 F.2d at 656). Judge Miller goes on to criticize the policy announced by the Court as an attempt to usurp the legislative function, 535 F.2d at 656:

> The "expeditious" standard created by the majority is not the standard of deliberate or intentional suppression required by the statute. Nor do the cases cited by the majority support it. In Pingree v. Hull, supra, intent to suppress was found as a result of a five-and-a-half year delay and spurring; similarly, in Young v. Dworkin, supra, intent to suppress was found as a result of a two-and-a-half year delay during which the inventor prepared for commercial production. If the standard prescribed by the statute is to be changed, that is a matter for the Congress. In re McKellin, 529 F.2d 1324, 1332, 188 USPQ 428, 436 (CCPA 1976) (Markey, C.J., concurring).

Rather than heed the warning of Judge Miller in *Peeler,* the CCPA in the present case has reaffirmed its reliance on *Peeler* and has abandoned intent in favor of time as the measure of suppression and concealment. Moreover, the CCPA has set an unreasonably short time as the standard for presumptive suppression and concealment of an invention.

3. Favoring The First To Invent Over The First To File Is Consistent With And Fosters The Ultimate Purpose Of The Patent Laws.

The ultimate purpose of the patent laws, as expressed in the Constitution, is to promote the progress of science and the useful arts. The quid pro quo for the privilege of a patent grant is disclosure of the invention to the public.[11] Congress has structured the patent laws to favor the first to invent rather than the first to file so as to encourage the full disclosure of completely realized inventions. Thus, rather than making early application for patent the paramount objective, Congress has consistently chosen instead to allow inventors a reasonable grace period within which to develop their inventions and to pursue their patent rights.[12] Only such deliberate and willful activity as evidence an intent to forego patent protection has been deemed appropriate to warrant a forfeiture of an inventor's patent rights. The goal is full disclosure, not promptness of disclosure, and the standard for forfeiture is abandonment, suppression or concealment, not the degree of promptness or relative merit of the inventor.

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[11] *Kewanee Oil Co.* v. *Bicron Corp.*, 416 U.S. 470, 484 (1974).

[12] E.g., 35 U.S.C. §102(b) (Appendix E, p. 45a).

4. The CCPA's Prompt Filing Rule As Applied In The Present Case Violates Due Process.

The CCPA has violated basic principles of fairness and due process[13] in the present case by adopting and applying retroactively a fundamentally new rule of priority governing interferences, and by failing to provide both parties a reasonable opportunity to present evidence under the new rule.

Under the new rule, 35 U.S.C. §102(g) rewards "earlier disclosure over earlier invention" (Appendix A, p. 7a), but the second to file can nonetheless prevail if he was "prompt" in filing, presumably on the basis of the "more deserving" inventor policy relied on in *Peeler* v. *Miller, supra.*

The CCPA has thus adopted a qualified first-to-file rule in which the relative promptness of the competing inventors is controlling. Although 35 U.S.C. §102(g) by its terms applies equally to both parties, in the present case Respondents were allowed to rely simply on their two-day earlier filing date and Petitioner was denied any opportunity under current interference procedure[14] to present evidence on the issue of Respondent's promptness in filing.

In radically altering the interpretation of 35 U.S.C. §102(g) from the literal interpretation of abandonment, suppression and concealment reflected in the CCPA decisions prior to *Peeler* v. *Miller, supra* in 1976, to the perceived first-to-file public policy interpretation em-

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[13] The Due Process Clause, Amendment V, United States Constitution (Appendix E, p. 45a).

[14] 35 U.S.C. §135(a), 37 C.F.R. §§1.257(a), 1.258(a) (Appendix E, p. 46a, 47a-48a).

bodied in *Peeler* and the present case, the CCPA has ignored the unfairness to inventors and their assignees who are investing vast sums of money in turning inventions into commercial products. These are the inventors that the patent system was designed to encourage. Their business practices in managing inventions and filing patent applications are based on the fundamental principle that the patent is awarded to the first person to reduce the invention to practice, either actually or constructively, provided he has not abandoned, suppressed or concealed. Inventors have been lulled by the heretofore limited abandonment, suppression and concealment exception of 35 U.S.C. §102(g) into a false sense of security, only to find that under the CCPA's new rule merely the delay of the first-to-invent but second-to-file inventor, as measured by a three month promptness standard, is now the test of suppression or concealment. This shift of interpretation of Section 102(g), of course, applies retroactively to patent applications already filed. Such an important change in the law should not be permitted by this Court, not only because it is contrary to legislative intent, but also because of the unfairness to those who have established their commercial practices on the law as it existed for over 100 years and the denial of due process that is inherent in the CCPA's decision.

5. The CCPA's Prompt Filing Rule Does Not Serve The Public Interest.

A fundamental obligation of patent applicants, which is recognized by this Court[15] and which is codified in the rules of the Patent and Trademark Office,[16] is the

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[15] *Precision Instrument Mfg. Co.* v. *Automotive Maintenance Mach. Co.*, 324 U.S. 806 (1945).

[16] 37 C.F.R. §1.56(a) (Appendix E, p. 47a).

duty of candor and good faith. One aspect of this duty is the disclosure of pertinent prior art of which the applicant is aware. Under the CCPA's prompt filing rule, the pressure to file earlier will encourage applicants to dispense with the preliminary patentability search which is presently standard practice in order both to save time and to minimize the burden of drafting their patent applications so as to distinguish over the prior art.

Under the CCPA's prompt filing rule, the financial resources of the inventor become a factor determining his right to a patent, since the better funded inventor necessarily has the advantage over a poorer inventor in the race to the Patent and Trademark Office. In addition, the CCPA's prompt filing rule discriminates against the fertile inventor and in favor of the inventor who has made only one invention. The fertile inventor must apply his available resources among his many inventions, and will often be involved in promoting and protecting completed inventions as well as in developing new inventions, whereas the one-time inventor can concentrate his efforts on preparing and filing his patent application. In order to ensure compliance with the CCPA's prompt filing rule, the fertile inventor must either retain surplus patent counsel to handle overflow work, forego the experience and expertise of counsel who are familiar with the subject matter and prior art in favor of other counsel whose only attribute is a lesser workload, compromise the quality of the applications which are filed, or pursue a piecemeal filing program.

Implementing a first to file policy piecemeal, as the CCPA is doing, disrupts the operation of the patent system and inadvertently threatens other basic rights of applicants since the first-to-invent, as opposed to the

first-to-file, principle is embodied not just in 35 USC §102(g), but rather throughout a series of interrelated provisions of the statute.[17]

Further, the prompt filing rule of the CCPA does not ensure prompt disclosure of an invention, or promote science and the useful arts as dictated by the Constitution. Since the CCPA's rule places a premium on the earliest possible filing of an application, there is substantial pressure to prepare and file patent applications before the inventions are even tested and evaluated. This Court in *Kewanee, supra* note 11, 416 U.S. at 488-489, specifically condemned any policy which would encourage inventors to file patent applications on inventions of doubtful patentability. If there were a public policy favoring early filing of patent applications, as the CCPA contends, this Court would have so stated in *Kewanee*.

Inevitably, under the CCPA's prompt filing rule, less complete applications will be filed, and applications will be filed at earlier and earlier stages in the development of inventions, to be supplemented by a continuing stream of continuation-in-part applications as the inventions are refined and further developed. Ironically, the pressure to file early and to file multiple applications covering the same invention will be greatest for the most valuable inventions, since such inventions represent solu-

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[17] For example, under 35 U.S.C. §102(b) (Appendix E, p. 45a), Congress has allowed inventors a grace period before forfeigure is imposed in which to file applications following their own disclosure or commercial use of their inventions. Similarly, "abandonment", rather than the failure to promptly disclose, is the condition for forfeiture under 35 U.S.C. §102(c) (Appendix E, p. 45a-46a) in the absence of independent development of an invention by another.

tions to urgent problems, and there is thus the greatest amount of competitive research and development directed thereto and therefore the greatest probability of multiple independent development of the same invention. The result will be a flood of applications to an already overburdened Patent and Trademark Office. Substantial additional time and effort will be required of the Patent and Trademark Office to weed out clearly unpatentable inventions which would not have been filed if the applicants had conducted patentability searches prior to filing, to weed out insufficient disclosures, and to examine the multiplicity of applications relating to the same invention. The net effect will be to needlessly prolong an already protracted examination process, and to result in patents being issued for incomplete inventions or with less complete disclosures. In any event, the public suffers. The disclosure of *all* inventions, not just those which may be subject to interferences, is delayed, and the adequacy of the disclosures which are eventually made is compromised.

CONCLUSION

This Petition seeks review of a decision of the CCPA that is clearly contrary to the law and of extreme national importance in its effect on the patent system. Accordingly, this Petition for Writ of Certiorari should thus be granted.

Respectfully submitted,

ROBERT S. SWECKER
Counsel of Record
KIRK M. HUDSON
BURNS, DOANE, SWECKER & MATHIS
George Mason Building
Washington & Prince Streets
Alexandria, Virginia 22313
(703) 836-6620
H. VINCENT HARSHA
JOHN M. NOLAN
DEERE & COMPANY
John Deere Road
Moline, Illinois 61265

Counsel for Petitioner

APPENDIX

APPENDIX A

UNITED STATES COURT OF CUSTOMS AND PATENT APPEALS.

PATENT APPEAL NO. 80-522.

JOSEPH JOHN SHINDELAR, *Appellant*,

v.

ADIN FRANK HOLDEMAN, MELVIN VICTOR GAEDDERT, HOWARD JAMES RATZLAFF, MARTIN EUGENE PRUITT AND HOWARD ROY LOHRENTZ, *Appellees*.

Sept. 4, 1980.

Rehearing Denied Nov. 20, 1980.

Before MARKEY, *Chief Judge*, RICH, BALDWIN and MILLER, *Associate Judges*, and RE, *Chief Judge*.*

BALDWIN, *Judge*.

This is an appeal from the decision of the United States Patent and Trademark Office (PTO) Board of Patent Interferences (board) which awarded priority of invention of the count in issue to the senior party-applicants Holdeman et al.[1] based on its holding that, while the junior party-applicant Shindelar[2] had actually reduced the invention of the count to practice prior to the earliest date proven by Holdeman et al., Shindelar had suppressed or concealed the invention within the meaning of 35 U.S.C. §102(g)[3] and, therefore, lost the right to a patent as against Holdeman et al. We affirm.

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* The Honorable Edward D. Re, United States Customs Court, sitting by designation.

[1] Application Serial No. 584,870, filed June 9, 1975, entitled "Method and Apparatus for Making Large Round Crop Bales," assigned to Hesston Corporation, a Kansas corporation.

[2] Application Serias No. 585,851, filed June 11, 1975, entitled "Machine for Rolling Hay into Cylindrical Bales," assigned to Deere & Company (Deere), an Illinois corporation.

[3] According to 35 U.S.C. §102(g), an applicant is not entitled to a patent on his invention if "before the applicant's invention thereof the invention was made in this country by another who had not abandoned, suppressed, or concealed it."

Background

The Invention

The invention in interference relates to a hay baler wherein hay is first rolled along the ground adjacent to a rear conveyor to start the bale. After the bale reaches a certain diameter, it engages a front conveyor so that the bale is elevated between the front and rear conveyors into a chamber off the ground. Within the chamber, hay is continuously fed to the periphery of the rotating bale until the cylindrical bale reaches the desired size, at which time the bale can be discharged out the rear of the baler.

The sole count[4] is as follows:

A machine for removing crop material from the ground and rolling it into large cylindrical bales comprising; [sic] a mobile frame having opposite sides and a shiftable rear gate structure; a rear conveyor means including a first axially transverse rotary element extending between the opposite sides adjacent the ground; crop pickup means operatively associated with said rotary element, for engaging crop material on the ground; drive means drivingly connected to the rear conveyor means and the crop pickup means so that the pickup means raises the crop material from the ground as the machine advances and the pickup means and rear conveyor means initially roll the crop material along the ground into a spiral cylindrical bale in advance of the pickup means; a second axially transverse rotary element extending between the opposite sides forwardly of the first rotary element and adapted to engage the forward side of the bale when the bale reaches a predetermined size, whereupon the rear conveyor means raises the bale from the ground so that it is at least partially supported above the ground on the first and second rotary elements while it continues to rotate and increase in size as the machine continues to advance and the

[4] The single count was claim 1 in Shindelar's application and, at the suggestion of the examiner, added to Holdeman et al.'s application as claim 24 for the purpose of interference.

pickup means feeds additional crop material thereto, said first rotary element and the crop pickup means being mounted on the rear gate structure and shiftable therewith from a lower operating position, wherein the pickup means is adapted to engage the crop material on the ground, and an upward and rearward discharge position, wherein the first rotary element and pickup means clear a formed bale to permit the rearward discharge of the bale from the machine.

Proceedings Below

As noted above, Holdeman et al. filed their application on June 9, 1975. Two days later on June 11, 1975, Shindelar filed his application. Subsequently, this interference was declared.

Shindelar filed an evidentiary record with the board for the purpose of overcoming Holdeman et al.'s earlier filing date, while Holdeman et al. elected to rely solely on their filing date for priority.

Shindelar's evidentiary record concerned his conception and the reduction to practice of the invention of the count and the handling of the invention disclosure and filing of Shindelar's application in the two years and five month period between reduction to practice and filing of the application with the PTO. The record included the depositions of Shindelar and various personnel of Deere including one of Deere's patent department attorneys; and also included various exhibits.

Facts Concerning Conception and Reduction to Practice

Shindelar conceived the invention of the count in the fall of 1972, after which he discussed the concept with Deere's project engineer in the baler division. A "line sketch" and subsequent layout drawing of the concept were prepared by November 17, 1972. Deere built the subject hay baler by January 12, 1973, in Iowa and shipped it to Florida for testing which began on January 24, 1973. The testing of the baler was successful. Therefore, the invention of the count was actually reduced to practice by Deere on behalf of Shindelar in January of 1973.

Facts Concerning Alleged Suppression or Concealment

On January 17, 1973, after Deere built the subject hay baler, a patent disclosure of the invention signed by Shindelar was forwarded to the patent attorney in Deere's patent department responsible for preparation of the Shindelar application. Upon receipt of the invention disclosure, the patent attorney docketed it in accordance with Deere's standard practice.

Normally, the patent attorney took the cases up for application preparation in the order in which they were received except where potential statutory bars required earlier filing.

After receiving the disclosure, the patent attorney visited Shindelar and discussed the matter with him on one occasion. Then a prior art patent search was conducted at Deere's patent library by a Deere draftsman in January of 1974, and a written report was made to the patent attorney on January 25, 1974. Subsequently, the attorney prepared the application which was filed on June 11, 1975, approximately two years and five months after his receipt of the invention disclosure.

During the two year and five month interim, the patent attorney was involved in his patent prosecution docket and in several patent litigation matters which required a considerable amount of his time away from the prosecution docket.

While there was intent to file the application by both Shindelar and the patent attorney, the application filing was delayed by the patent attorney's workload. During the two year and five month delay period, there were no patent or commercial activities known by Shindelar or his attorney to spur them to proceed with the application preparation and filing.

Board

The parties to the interference raised the following issues before the board:

1) Did Shindelar conceive the invention of the count in the fall of 1972?

2) Did Shindelar actually reduce the invention to practice in January of 1973?

3) If so, did Shindelar suppress or conceal the invention within the meaning of 35 U.S.C. §102(g) and, therefore, lose his right to a patent as against Holdeman et al.?

After both parties had submitted briefs and presented oral argument at the final hearing, the board found that, by corroborated and uncontradicted testimony of Shindelar and his witnesses, the invention of the count was conceived by Shindelar in the fall of 1972 and was actually reduced to practice by Deere on behalf of Shindelar in January of 1973, which is prior to the earliest date proven by Holdeman et al. However, the board denied an award of priority to Shindelar by finding the two year and five month period between the reduction to practice and the filing of his application "to be, prima facie, an 'unreasonable' period which has not been overcome by the mere showing that the workload of [the patent attorney] * * * prevented him from filing the application earlier." Therefore, the board held that Shindelar had suppressed or concealed the invention within the meaning of 35 U.S.C. §102(g)[5] and awarded priority of invention to Holdeman et al.

OPINION

On appeal, Shindelar contests the board's holding that he suppressed or concealed the invention within the meaning of 35 U.S.C. §102(g). Holdeman et al., of course, argue that the §102(g) finding is proper. Additionally, they argue that the board erred in holding that Shindelar had actually reduced to practice the invention of the count.[6] Thus there are two issues before this court: 1) Did the board correctly hold that Shindelar reduced to practice the invention of the count in

[5] The board supported its finding of prima facie unreasonableness by citing Judge Rich's concurring opinion in *Young* v. *Dworkin*, 489 F.2d 1277, 180 USPQ 388 (CCPA 1974).

[6] While Holdeman et al. filed no cross-appeal, the reduction to practice issue is properly before us. A winning interference party

January of 1973? 2) Did the board correctly hold that Shindelar suppressed or concealed his invention within the meaning of 35 U.S.C. §102(g)?

Reduction to Practice

Shindelar, as junior party whose application is co-pending with that of Holdeman et al., bears the burden of proof regarding reduction to practice by a "preponderance of the evidence," as the board properly stated. *Horwath* v. *Lee*, 564 F.2d 948, 949 n.2, 195 USPQ 701, 703 n.2 (CCPA 1977).

The record before us supports the board's holding that Shindelar's invention was reduced to practice in January of 1973. On that issue, the decision of the board is affirmed.

Suppression or Concealment

Fact situations surrounding a suppression or concealment issue must be considered on a case-by-case basis. *Horwath* v. *Lee*, supra; *Young* v. *Dworkin*, supra note 5.

Under the facts of this case, which are simple, undisputed and based on a very short record, and in light of the public policy inherent in 35 U.S.C. §102(g),[7] we hold that the

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not required to cross-appeal with respect to issues raised by him before the board and decided adversely to him. *Clauss* v. *Foulke*, 54 C CPA 1514, 379 F.2d 586, 154 USPQ 85 (1967).

[7] Speaking for a unanimous court in *Horwath* v. *Lee*, Chief Judge Markey noted that "the linchpin of the patent system-early public disclosure — * * * is fostered by the §102(g) codification of existing law" (564 F.2d at 950, 195 USPQ at 703) and went on to state:

> When an inventor actually reduces to practice an invention, *public policy dictates* that if he would have the benefits of the patent system vis a vis rival independent inventors he must file his application for patent *promptly* * * *. The theory is not forfeiture, estoppel, or other legal rule by which one is deprived of a property right; it is the simple rule that the property right shall reside in the second inventor who disclosed and not in the first inventor who concealed, i.e., the law prefers and will reward earlier disclosure over earlier invention. See Rich, J., concurring in *Young* v. *Dworkin*, supra. [564 F.2d at 950, 195 USPQ at 704. Emphasis added.]

evidence has raised an inference of suppression of the invention by Shindelar's assignee (Deere)[8] which has not been rebutted.

As this court has stated repeatedly, though there is no law requiring an inventor to apply for a patent or to apply within any particular time, "one who delays filing his application does so at the peril of a finding of suppression or concealment due to the circumstances surrounding the delay." See, for example, *Young* v. *Dworkin*, 489 F.2d at 1281, 180 USPQ at 391, and cases cited therein.

As is stated in *Peeler* v. *Miller*, supra note 8:

> A delay [between reduction to practice and filing of an application] may be of no legal consequence [under §102(g)] because it is not long enough. Or the delay may be excused by activities of the inventor or his assignee during the delay period. * * * There may be other factors. But * * * the unreasonable length of a delay *may* [emphasis in original] be ample circumstance *in itself* [emphasis added] to find suppression. [535 F.2d at 655, 190 USPQ at 123.]

Thus, in interference situations involving another party who was first to file an application with the PTO, suppression or concealment may be found when one is not disclosing or acting to disclose the invention to the public or to the PTO in a patent application where the failure to disclose is unexcused.

In the present case, Shindelar assigned the rights to his invention and patent application to Deere. After the baler had been actually reduced to practice, Shindelar forwarded an invention disclosure to a patent attorney in Deere's patent department. Upon receipt of the disclosure, the patent attorney docketed it in accordance with Deere's standard practice. Two years and five months later, on June 11, 1975, the application was filed with the PTO.

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[8] Deere's dilatory conduct here is imputable to Shindelar. *Peeler* v. *Miller*, 535 F.2d 647, 190 USPQ 117 (CCPA 1976); *Wilson* v. *Goldmark*, 36 CCPA 849, 172 F.2d 575, 80 USPQ 508 (1949).

In an effort to excuse the long delay period, Shindelar introduced evidence that the patent attorney discussed the invention with Shindelar on one occasion; that the attorney then had a Deere draftsman conduct a prior art patent search in Deere's patent library after which a written search report was made to the patent attorney on January 25, 1974, approximately one and a half years before the application was filed; that the application filing was delayed by the patent attorney's heavy workload; and that neither Shindelar nor Deere were spurred into filing the application. Evidence was also introduced that, throughout the delay period, there was always an intent to file the patent application both by the inventor and by the patent attorney.

In our opinion, the two year and five month delay from the time the invention was actually reduced to Practice and an invention disclosure received by Deere's patent attorney and the time Deere filed the patent application is unreasonably long in an interference with a party who filed first.

Looking at the facts, it cannot be said that Shindelar has sufficiently excused the delay. One discussion with the inventor, an order to a draftsman to search the patent files, and the preparation of a search report could possibly account only for a few days. In many circumstances, one month would be ample allowance to a patent attorney to draft the application. Another month could be ample for a draftsman to prepare the drawings. To be generous, perhaps another month could be allowed to have the application placed in final form, executed by the inventor and filed with the PTO. Thus a period of approximately three months could possibly be excused during the twenty-nine month delay in which any meaningful, time-consuming acts toward application filing took place. However, more than two years of the delay period remains unaccounted for. Apparently, due to the patent attorney's workload, the Shindelar application matter merely lay dormant in Deere's patent department for at least two years.

The patent attorney's workload will not preclude a holding of an unreasonable delay. Nor will the showing of intent to file — someday — negative a holding of suppression. *Peeler* v. *Miller*, supra note 8.

Additionally, the showing of absence of spurring into filing the Shindelar application does not negative a holding of suppression nor excuse the dealy.[9]

We are persuaded that there is no reasonable basis on which to differentiate this case from *Peeler* v. *Miller*, and the same result is therefore compelled, i.e., a holding of suppression as a matter of law. In that case the board (one member dissenting) stated that Miller had not suppressed his invention, and we reversed. Miller's invention and application were assigned to the Monsanto Company which had a patent department. There was no specific intent to suppress or conceal the invention; however, four years elapsed between Miller's submission of an invention disclosure to the Patent department, which classified it "A (Ready [to file])", and the application filing. Three attorneys left the patent department, but before they had gone and a new patent attorney arrived, two and a half years had elapsed. Miller presented no evidence covering that period. The new patent attorney, after being assigned a heavy docket, eventually prepared and filed the application some fifteen months after his arrival. We found the delay period unreasonable, not excused, and that Miller had, therefore, suppressed his invention. In both *Peeler* and this appeal, the patent attorney responsible for filing the application was an employee under the direct control of the inventor's assignee and was not an independent contractor. *Peeler* v. *Miller*, supra note 8, 535 F.2d at 654, 190 USPQ at 123. As a result, the delay in filing in Peeler and here was directly occasioned by the real party in interest.

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[9] While spurring into filing an application for patent by knowledge of another's entry into the field (e.g., by commercial activity or by issuance of a patent) is not essential for a finding of suppression, *Young* v. *Dworkin*, that is not to say that the presence or absence of spurring is not relevant to the issue of suppression or concealment.

Citing *Peeler* v. *Miller* to support the position that an attorney's workload will not preclude a holding of an unreasonable delay, and *Young* v. *Dworkin* to support the position that a delay period as little as two years is prima facie unreasonable, the board concluded:

> [I]n the present case we find the two year and five month period between Shindelar's reduction to practice and the filing of his application to be, prima facie, an "unreasonable" period which has not been overcome by the mere showing that the workload of [the patent attorney] * * prevented him from filing the application earlier. Accordingly, we find that Shindelar suppressed or concealed the invention within the meaning of 35 U.S.C. §102(g) and therefore has lost his right to a patent as against Holdeman et al.

We agree with the board's conclusion; however, we caution that any attempt to establish a rule that a certain specified length of time is per se unreasonable is contrary to the previous holdings of this court. We reiterate that each case involving the issue of suppression or concealment must be considered on its own particular set of facts.

The decision of the board awarding priority to Holdeman et al. is *affirmed.*

AFFIRMED.

APPENDIX B

Opinion and Decision of Board of Patent Interferences, August 28, 1979

Champion, Calvert and Urynowicz, Examiners of Interferences.

Champion, Examiner of Interferences.

This interference is between an application of the junior party Shindelar, filed June 11, 1975, and an application of the senior party Holdeman et al. filed June 9, 1975.

The Shindelar application is assigned to Deere & Company and the Holdeman et al. application to Hesston Corporation.

Shindelar filed an evidentiary record for the purpose of overcoming the earlier filing date of Holdeman et al., while the latter elected to rely solely on their filing date for priority. Both parties filed briefs and both made an appearance through counsel at final hearing. As the junior party whose application is copending with that of the senior party, Shindelar bears the burden of proof by a preponderance of the evidence.

The Subject Matter

The invention in issue is a hay baler that removes crop material from the ground and rolls it into a round or cylindrical bale as the baler advances over the ground. A single count forms the issue of the interference. It adequately describes the invention and reads as follows:

Count 1

> A machine for removing crop material from the ground and rolling it into large cylindrical bales comprising; a mobile frame having opposite sides and a shiftable rear gate structure; a rear conveyor means including

a first axially transverse rotary element extending between the opposite sides adjacent the ground; crop pickup means operatively associated with said rotary element, for engaging crop material on the ground; drive means drivingly connected to the rear conveyor means and the crop pickup means so that the pickup means raises the crop material from the ground as the machine advances and the pickup means and rear conveyor means initially roll the crop material along the ground into a spiral cylindrical bale in advance of the pickup means; a second axially transverse rotary element extending between the opposite sides forwardly of the first rotary element and adapted to engage the forward side of the bale when the bale reaches a predetermined size, whereupon the rear conveyor means raises the bales from the ground so that it is at least partially supported above the ground on the first and second rotary elements while it continues to rotate and increase in size as the machine continues to advance and the pickup means feeds additional crop material thereto, said first rotary element and the crop pickup means being mounted on the rear gate structure and shiftable therewith from a lower operating position, wherein the pickup means is adapted to engage the crop material on the ground, and an upward and rearward discharge position, wherein the first rotary element and pickup means clear a formed bale to permit the rearward discharge of the bale from the machine.

Issues

The parties have raised the following issues:

(1) Did Shindelar conceive the invention of the count in the fall of 1972?

(2) Did Shindelar actually reduce the invention to practice in January of 1973?

(3) If (2) above is answered in the affirmative, did Shindelar suppress or conceal the invention within the meaning of 35 USC 102(g)* and therefore lose his right to a patent as against Holdeman et al.?

The Shindelar Record

Shindelar has been the manager of product engineering at Deere & Company's Ottumwa Works since 1968 (R 3), and has worked for the company as an engineer since 1955 (R 3). The Ottumwa Works produces hay and forage harvesting equipment, including balers of the type here in issue (R 4, 5). Gust Soteropulos is a project engineer in the baler division under Shindelar (R 40).

Shindelar testified that in the fall of 1972 two types of large round balers were on the market, one of which formed the bale by rolling it along the ground and the other of which formed the bale in the chamber of the baler off the ground (R 8). He stated that during this period he conceived a large round baler in which "the bale would be partially formed directly on the ground and as the bale reached some predetermined size that the bale would be forced up into a partial bale chamber created by two conveyors, in which the bale—and the remaining bale would be formed within this cavity" (R 10); that he made sketches of his concept at the time and described the concept to Soteropulos (R 11); and that Shindelar Exhibit 1 is a "line sketch" of the concept although he did not know who made the sketch (R 12).

Shindelar Exhibit 2 is a layout drawing, dated November 17, 1972. Shindelar testified that the drawing was made by Gerald Meiers, an employee of Deere & Company, and that it shows the frame of the round baler conceived by him (SR 15).

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* 35 USC 102(g) states in part:

(g) before the applicant's invention thereof the invention was made in this country by another who had not abandoned, suppressed, or concealed it.

Shindelar Exhibits 3, 4 and 5 are pages from the Deere & Company project schedule listing the baler conceived by Shindelar as project number "BB21RO". With the aid of information contained in the exhibits, Shindelar testified that a baling machine according to his concept was completed at Deere & Company on the 12th of January 1973 (R 19) and that the actual testing of the machine was to begin on January 24, 1973. Shindelar stated that he saw the machine soon after it was completed on January 12 and that it was the same machine shown in six photographs introduced into evidence as Exhibits 7 to 12 (R 20).

According to Shindelar's testimony, soon after the baler was completed it was shipped to Florida for testing (R 21). Although he stated that he did not recall witnessing any tests (R 21), Shindelar testified that he did receive several favorable reports on the tests; that "we were elated that it worked so well" (R 22); and that the machine was returned to the Ottumwa Works after it had been in Florida for about two months (R 23).

At pages 23 to 26 of the record, the Deere & Company attorney, Mr. Nolan, reads each limitation of the count to Shindelar, and after each limitation asks Shindelar if the limitation is supported by the machine built at Deere & Company and shipped to Florida where it was tested. Shindelar's answer to each question is "yes".

Shindelar Exhibit 13 is a letter transmitting an Invention Disclosure to Mr. Nolan of the Patent Department at Deere & Company. Shindelar Exhibit 14 is the Invention Disclosure that was transmitted. Both are dated as having been received in the Patent Department on January 19, 1973. The Invention Disclosure is signed by Shindelar and witnessed and signed by Soteropulos. Shindelar testified that the document was prepared by Soteropulos at his direction (R 27).

Soteropulos has been employed at the Deere & Company's Ottumwa Works for 26 years (R 40). He corroborates the testimony of Shindelar that the concept disclosed in Exhibits 1 and 2 were the concepts Shindelar had described to him in the fall of 1972 (R 45). Soteropulos also corroborates the building of the prototype baler at Deere & Company by the 12th of January, 1973. He stated that he was responsible for the design of the baler (R 46) and that he personally observed the machine during its construction (SR 49).

Soteropulos testified that after its completion the baler was sent to Florida where he observed its testing (R 50); that "between twenty to forty bales, in that range", were formed with the baler; that from his observation of the baler it "worked as planned" (R 52); and that he "believed" he took photographic Exhibits 7 to 12 because his handwriting dates the slides (X 6) from which the photographs were made (R 52).

At pages 53 to 56 of the Shindelar record, Mr. Nolan reads each limitation of the count to Soteropulos and after each limitation asks if the baling machine built at Deere & Company and tested in Florida supports the limitation. Soteropulos answers "yes" to each question.

Soteropulos testified that he prepared the transmittal letter (X 13) to Mr. Nolan (R 56), and that he prepared the Exhibit 14 Invention Disclosure, which he signed as a witness, under the direction of Shindelar (R 57).

Both Shindelar (at R 31) and Soteropulos (at R 58) testified that a "two and a half" year period between the transmittal of an Invention Disclosure to the Deere & Company patent department and the filing of a patent application was not unusual.

Gerald Meiers, an advanced designer in the engineering department, has been employed by Deere & Company for

nineteen and one-half years. He testified that in October of 1972 (R 67) Shindelar described to him with the aid of sketches "a round baler that would start forming a bale on the ground, and later it would pop up and continue forming the bale off the ground" (R 69), and that the concept is embodied in Exhibit 1 (R 69). Meiers corroborates Shindelar's testimony that he (Meiers) prepared the Exhibit 2 drawing on November 17, 1972 (R 70).

Meiers also testified that he prepared a complete set of prints, layouts and sketches of the baler (R 70, 71); that a baling machine was built therefrom; that he observed the machine as it was being built (R 71); and that the baling machine actually worked to form a bale (R 74).

Mr. Nolan testified that as the Deere & Company attorney he received the Exhibit 14 Invention Disclosure on January 19, 1973 and that he filed the Shindelar application on June 11, 1973; that except for certain cases filed in foreign countries to comply with those countries' laws, he filed the cases on his docket in the same sequence he received the Invention Disclosures (R 84).

Mr. Nolan also testified that sometime after he received the Invention Disclosure he took a trip to the Ottumwa Works to discuss the invention with Shindelar and Soteropulos (R 83); that at his direction a "novelty and invention" search was made by Fred DePotter in January of 1974, as evidenced by a search report introduced into evidence as Shindelar Exhibit 15 (R 86); that during the two and a half year period between the receipt of the Invention Disclosure and the filing of the Shindelar application, he was involved in other duties such as patent litigation and the taking of depositions (R 87); and that he was not "spurred" into filing the Shindelar application by learning of the existence of "any other machine or patent on the market place" (R 89).

Shindelar's Conception

The definition of a conception is stated as follows in the case of Mergenthaler v. Scudder, 11 App. D.C. 264, 276, 1897 C.D. 724, 731 (1897):

> The conception of the invention consists in the complete performance of the mental part of the inventive act. All that remains to be accomplished, in order to perfect the act or instrument, belongs to the department of construction, not invention. It is therefore the formation, in the mind of the inventor, of a definite and permanent idea of the complete and operative invention, as it is thereafter to be applied in practice, that constitutes an available conception, within the meaning of the patent law.

See also Gunter v. Stream, 573 F.2d 77, 197 USPQ 482 (CCPA 1978).

In the present case, we find that Shindelar has established a conception of the invention in issue in accordance with the above definition. We find that conception has been established by Shindelar's corroborated testimony that in the fall of 1972 he conceived a baler where "the bale would be partially formed directly on the ground and as the bale reached some predetermined size that the bale would then be forced up into a partial bale chamber created by two conveyors, in which the bale—and the remaining bale then would be formed within this cavity", when such testimony is considered in light of (1) Shindelar's corroborated testimony that he made sketches to convey his concept to Soteropulos and Meiers, (2) the testimony of Soteropulos and Meiers to the effect that Exhibits 1 and 2 disclose the essential features of the invention and together are representative of the concept Shindelar disclosed to them, (3) the extensive background

knowledge and experience of corroborating witnesses Soteropulos and Meiers at Deere & Company in the baler field, which would enable them to readily understand the Shindelar concept and its application, (4) the fact that a baler supporting the count was built at Deere & Company from the Shindelar concept (see infra) and (5) the fact that an invention disclosure (X 14) supporting the count was submitted to the Deere & Company Patent Department on January 19, 1973. We are of the opinion that the record supports a conclusion that Shindelar conceived the invention in the fall of 1972, but in any event no later than the January 12, 1973 date on which the baler was completed at Deere & Company or the January 19, 1973 date on which the invention disclosure (X 14) was submitted to the Patent Department.

Holdeman et al. argue that Shindelar merely suggested "a desired result" or "a desired function" without any concrete direction as to the means for accomplishing the result or function. While the record fails to establish that Shindelar suggested all the detailed construction of the bailer, we think his suggestions to Soteropulos and Meiers, as explained in their testimony with the aid of Exhibits 1 and 2, completed the "mental part of the inventive act", and the work of Soteropulos and Meiers in building the baler belonged to the "department of construction, not invention". The contention of Holdeman et al. that Soteropulos and Meiers invented, and not Shindelar, involves the question of third party inventorship which is not ancillary to priority and therefore is not entitled to consideration at final hearing. Sheffner v. Gallo, 515 F.2d 1169, 185 USPQ 726 (CCPA 1975). Even so, we find no evidence in the record that Soteropulos or Meiers conceived the invention.

Shindelar's Actual Reduction to Practice

The record establishes that a round baler was built at Deere & Company by the date of January 12, 1973, and was shipped to Florida and tested on the date of January 24, 1973. The testing was conducted by Soteropulos and Meiers, both of whom testified that the baler performed its intended function of baling hay as expected and as recited in the count. Soteropulos testified that the baler as it operated to bale hay supported *every* limitation of the count. Mr. Nolan's reading of each limitation of the count to Soteropulos and after each limitation asking if the baling machine built at Deere & Company and tested in Florida supported the limitation, to which each answer was "yes", is testimony that is accorded full weight in this instance. Holdeman et al. failed to make any objection as to the form of the questions and answers during the taking of Soteropulos' testimony, and thus are not entitled to raise an objection at final hearing. See 37 CFR 1.285(c)(2); see also Rimbach v. Wanmaker, 53 CCPA 1552, 362 F.2d 561, 150 USPQ 302 (1966).

Moreover, we find in this instance that the Exhibit 7 to 12 photographs of the baler taken by Soteropulos in Florida, when considered together with the testimony of Soteropulos and Meiers, are sufficient to establish an actual reduction to practice in January of 1973. Upon viewing the photographs, we find all of the structural limitations of the count; nor have Holdeman et al. pointed out wherein any structural limitation is not supported by the baler shown in the photographs. We do not find any difficulty in visualizing that the baler shown in the photographs would perform the functions recited in the counts in view of the testimony of Soteropulos and Meiers that the baler performed its intended function satisfactorily. Exhibit 12 showing a bale after it has been discharged from the baler is clear proof that the baler would perform the function of forming a round bale.

Accordingly, we find that the invention of the count was actually reduced to practice by Deere & Company on behalf of Shindelar in January of 1973.

Suppression or Concealment

The facts on which Holdeman et al. base their assertion of suppression or concealment by Shindelar are simple and are not in dispute. Shindelar reduced the invention to practice in January of 1973 and filed an application on June 11, 1975, a period of approximately two years and five months. During this period, the only work in any way connected with the invention was the making of a novelty and invention search (X 15) and the preparation of a patent application, no actual work having been performed on the invention itself. Mr. Nolan, the Deere & Company attorney to whom the invention disclosure (X 14) was assigned for the preparation and filing of a patent application, took his cases up in order during the two year and five month period between the January, 1973 date the Shindelar case was assigned to him and the June 11, 1975 date he filed the application. There was always an intent by Deere & Company to file an application on the Shindelar invention, and the only reason Mr. Nolan did not file the application earlier was his workload in the Deere & Company Patent Department.

The sole issue is whether an inference of an intent by Shindelar to suppress or conceal the invention has been established as the result of Mr. Nolan's and Deere & Company's two year and five month delay in filing an application after Shindelar's reduction to practice. See Peeler v. Miller, 535 F.2d 647, 190 USPQ 117 (CCPA 1976). Mr. Nolan and Deere and Company's conduct is, of course, imputable to Shindelar. Peeler v. Miller, supra.

We are of the opinion, and we think the Peeler case makes it clear, that an attorney's workload will not preclude a holding

of an "unreasonable" delay between a reduction to practice and the filing of an application. Failure of a company to hire sufficient attorneys to file their applications within a reasonable time after their inventions have been reduced to practice is inescusable where public policy inherent in 35 USC 102(g) and the rights of other inventors are concerned. Peeler v. Miller, supra.

In reviewing the cases where "spurring" into filing an application was not involved and an intent to suppress or conceal was inferred due to the fact that the period between reduction to practice and filing was deemed to be unreasonable, we find no case where the period was less than the four years in the Peeler case. Nor have we found any specific guidelines in any case as to what the lower limits of an unreasonable period might be, except to the extent stated in the discussion on the subject of suppression or concealment in the concurring opinion of Judge Rich in the case of Young v. Dworkin, 489 F.2d 1277, 180 USPQ 388 (CCPA 1974). There, the period was 27 months and suppression or concealment was held on the ground that Young actually intended to wait for an indefinite period after his reduction to practice before filing an application. Judge Rich, in his concurring opinion, discusses a number of early cases where the period between reduction to practice and filing was two years or less and then makes the following statement at 180 USPQ 395:

> While only 27 months is involved in the case at bar it is clear that in the nineteenth century the Patent Office thought nothing of depriving the first inventor of his right to a patent as against a more diligent second inventor where the period involved from reduction to practice to filing was *two years or less*. (Emphasis added).

In our view, this statement indicates that Judge Rich considers a period of at least as little as two years between reduc-

tion to practice and filing to be, prima facie, unreasonable. Judge Rich had stated earlier in the concurring opinion that "[t]hus at that early date [1872], and probably earlier too, the law permitted an inventor a *reasonable* time within which to perfect his invention but not to sit around doing nothing with it." (180 USPQ 394). In any event, in the present case we find the two year and five month period between Shindelar's reduction to practice and the filing of his application to be, prima facie, an "unreasonable" period which has not been overcome by the mere showing that the workload of Mr. Nolan, the Deere & Company patent attorney, prevented him from filing the application earlier. Accordingly, we find that Shindelar suppressed or concealed the invention within the meaning of 35 USC 102(g) and therefore has lost his right to a patent as against Holdeman et al.

Award of Priority

Priority of invention of the subject matter defined by the count in issue is hereby awarded to Adin Frank Holdeman, Melvin Victor Gaeddert, Howard James Ratzlaff, Martin Eugene Pruitt and Howard Roy Lohrentz, the senior party.

MARVIN A. CHAMPION)
Marvin A. Champion)
Examiner of Interferences)
)
IAN A. CALVERT) BOARD
Ian A. Calvert) OF PATENT
Examiner of Interferences) INTERFERENCES
)
STANLEY M. URYNOWICZ, JR.)
Stanley M. Urynowicz, Jr.)
Examiner of Interferences)

APPENDIX C

Testimony on Behalf of Shindelar

28 Mail Room
Jan 9 1978
Pat. & Trademark Off.

IN THE
UNITED STATES PATENT AND TRADEMARK OFFICE

Before the Board of Patent Interferences

ADIN FRANK HOLDEMAN, et al,

vs.

JOSEPH JOHN SHINDELAR.

Interference No. 99,523

Deposition of JOSEPH JOHN SHINDELAR, taken before Mervin E. Vaughn, Certified Shorthand Reporter, commencing at 9:00 a.m., July 19, 1977, at the John Deere Ottumwa Works, Ottumwa, Iowa.

Appearances:

Adin Frank Holdeman, et al, by: Gordon D. Schmidt and Stephen D. Timmons, Attorneys at Law, 1400 Mercantile Bank Tower, 1101 Walnut Street, Kansas City, Missouri 64106.

Joseph John Shindelar by: John M. Nolan and Harold M. Knoth, Attorneys at Law, Deere & Company, Moline, Illinois.

Reported by: Mervin E. Vaughn, Certified Shorthand Reporter.

* * *

[2] JOSEPH JOHN SHINDELAR, called as a witness, having been first duly sworn, testified upon his oath as follows:

Direct Examination by Mr. Nolan:

* * *

[13] Q48. Mr. Shindelar, I will hand you a document that's been identified as Shindelar Exhibit 2 and ask you whether you recognize this document? A. Yes.

Q49. Could you describe what the document is? A. It's a layout of the machine described in the patent.

Q50. Can you tell me who made the layout? A. According to a note on the drawing, it was made by Jerry Meiers, who works for Gus Soteropulos.

Q51. How can you tell that? A. The initials "GFM" on the drawing.

Q52. Is there a date on the drawing? A. Yes, 17 November 1972.

Q53. And, to the best of your belief that was the approximate date when this drawing was made? A. Yes.

Q54. Now, this drawing is apparently only of the frame [14] of a machine. Are you able to tell the particular machine that included this frame by the nature of the frame? A. I'm able to say that it embodies the idea—the invention described in the patent, yes.

* * *

[19] Q75. Now, referring to Exhibit 5 and again directing your attention to the top line identified as "BB21RO test," I ask you whether this document tells you anything about the building of the test machine? A. Yes, it does. It says that on the—that the 12th of January, 1973, it was completed.

Q76. Does the document refer to the testing of the machine? A. Yes, it indicates that it originally was scheduled to begin on the 10th of January and it says the actual beginning was on the 24th of January, 1973.

[20] * * *

Q78. Is the machine shown in the photographs on Exhibit 6 and Exhibits 7 through 12 the machine that was built in the experimental shop at John Deere Ottumwa Works? A. Yes.

Q79. Did that machine embody the concept shown on Exhibit 1? A. Yes, it did.

Q80. Did that machine embody the concept that's involved in the interference proceedings we're involved in here? A. Yes.

* * *

Q81. After the machine was built in the experimental shop at John Deere Ottumwa Works, what was then [21] done with the machine? A. As I recall, the machine was shipped to a test site in Florida, where it underwent evaluation.

* * *

[23] Q92. How long was the machine kept in Florida for tests? A. I don't recall exactly. We had other machines there. My estimate now would be six weeks to two months.

Q93. Then, after the tests were conducted or completed in Florida, do you know what was done with the machine? A. The machine was eventually returned to Ottumwa. I can't tell you just exactly when, but probably within that framework of about two months.

Q94. Mr. Shindelar, the machine shown in Exhibits 6 through 12, was it a machine for removing crop material from the ground and rolling it into a large cylindrical bale? A. Yes.

Q95. Did that machine have a mobile frame with opposite [24] sides and a rear gate structure? A. Yes.

Q96. Did that machine have a rear conveyor means? A. Yes.

Q97. Did that rear conveyor means include a first axially transverse rotary element extending between the opposite sides adjacent the ground? A. Yes.

Q98. Did that machine have crop pickup means operatively associated with said rotary element for engaging crop material on the ground? A. Yes.

Q99. Did that machine have drive means drivingly connected to the rear conveyor means and the crop pickup means so that the pickup means raises the crop material from the ground as the machine advances and the pickup means and the rear conveyor means initially roll the crop material along the ground into a spiral cylindrical bale in advance of the pickup means? A. Yes.

Q100. Did that machine have a second axially transverse rotary element extending between the opposite sides forwardly of the first rotary element? A. Yes.

[25] Q101. And was that second element adapted to engage the forward side of the bale when the bale reached a predetermined size? A. Yes.

Q102. When that engaged the bale, did the rear conveyor means raise the bale from the ground so that it was at least partially supported above the ground on the first and second rotary elements? A. Yes.

Q103. Then, did the bale continue to rotate and increase in size as the machine continued to advance and the pickup means feed additional crop material thereto? A. Yes.

Q104. Was the first rotary element and the crop pickup means mounted on the rear gate structure? A. Would you please repeat that?

Q105. Was the first rotary element and the crop pickup means mounted on the rear gate structure? A. Yes.

Q106. And were they shiftable with the rear gate structure from a lower operating position, wherein the pickup means was adapted to engage the crop material on the ground, and

an upward and rearward discharge position, wherein the first rotary element [26] and the pickup means cleared a formed bale to permit the rearward discharge of the bale from the machine? A. Yes.

* * *

Q107. Mr. Shindelar, I hand you an exhibit document that's been labeled as Exhibit 13 and ask you whether you can identify Exhibit 13? A. Yes, it's a letter transmitting the disclosure for the patent under consideration.

Q108. I hand you Exhibit 14 and ask you whether you can identify Exhibit 14? A. Yes, this discloses the invention described in the patent.

Q109. Would Exhibit 14 have accompanied Exhibit 13? A. It would have, yes.

Q110. Who prepared Exhibit 13? A. Gus Soteropulos.

Q111. Did you receive a copy of Exhibit 13? A. Yes.

Q112. To whom was Exhibit 13 addressed? A. To John Nolan in our Patent Department, Deere and Company.

Q113. And Mr. Nolan is a patent attorney in the Patent [27] Department of Deere and Company? A. That's correct.

Q114. Is Mr. Nolan the attorney who normally handles the patent matters for John Deere Ottumwa Works? A. He is.

Q115. Would this be a typical method of forwarding a patent disclosure to the Deere and Company Patent Department? A. It's our normal practice.

* * *

[28] Q125. After the Documents 13 and 14 were forwarded to Deere and Company Patent Department, do you know [29] what was done relative to the disclosures? A. I don't recall specifically, but the normal practice would be to review these periodically throughout the development and complete the necessary documentation that's required for obtaining a patent.

Q126. As a result of the disclosure shown in Exhibits 13 and 14, was a patent application, in fact, prepared? A. Yes, it was.

Q127. And is that the patent application that's involved in the present interference? A. Yes, it is.

Q128. Do you recall discussing with Mr. Nolan as to when a patent application would be filed on this disclosure? A. At least on one or two occasions the subject came up in review of this and other patents that we had in process—or, applications that we had in process.

Q129. Was there a decision made as to this particular disclosure during these discussions? A. It was our decision to proceed.

Q130. At any time did you ever decide that you shouldn't file a patent application on this particular disclosure? A. No.

[30] Q131. Did you ever advise Mr. Nolan or any member of the patent department to delay filing? A. No.

* * *

Q133. Are you familiar with the type of round balers offered by Hesston Corporation? A. General knowledge, yes.

Q134. Have you ever seen a Hesston machine embodying this particular concept that we've been discussing here today? Strike that question. Let me phrase it this way: During the period between the date that Exhibits 13 and 14 were forwarded to the patent department and the date that the patent application was actually filed, did you ever see a Hesston Corporation machine embodying this concept? A. No.

Q135. Did you ever see a machine offered by any other manufacturer embodying this concept? A. No.

Q136. Did you ever see any patent applications or patents [31] issued embodying this concept? A. No.

Q137. Would it be safe to say that there was nothing in either the patent area or the actual commercial—or commercial machines that spurred the filing of this particular patent application? A. None that I was aware of.

Q138. Now, Exhibits 13 and 14 are dated in January of 1973 and the present patent application was filed in June of 1975, which leaves a gap of approximately a little over two years between the date that the disclosure was sent into the patent department and the date of the filing of the patent application. Is this an unusual length of time for patent applications? A. I don't believe so. I believe we have others that have exceeded that time. Just patent load, I believe, could possibly be the reason.

Mr. Nolan: I would like to offer Exhibits 13 and 14 into evidence.

Mr. Schmidt: No objection.

Q139. I believe you testified that there wasn't anything unusual about the interval between the disclosure and the actual filing date. Are you generally familiar with the patent applications originating [32] from John Deere Ottumwa Works? A. Generally and, of course, specifically those relating with Ottumwa-initiated applications, but only in a general sense. I would have a difficult time giving you an average time required.

Q140. But you didn't view this as an unusual or an abnormal interval? A. No, I don't believe I did then and I don't now.

• • •

IN THE
UNITED STATES PATENT AND TRADEMARK OFFICE

Before the Board of Patent Interferences

ADIN FRANK HOLDEMAN, et al,

vs.

JOSEPH JOHN SHINDELAR.

Interference No. 99,523

Deposition of Gust Soteropulos, taken before Mervin E. Vaughn, Certified Shorthand Reporter, commencing at 10:20 a.m., July 19, 1977, at the John Deere Ottumwa Works, Ottumwa, Iowa.

Appearances:

Adin Frank Holdeman, et al, by: Gordon D. Schmidt and Stephen D. Timmons, Attorneys at Law, 1400 Mercantile Bank Tower, 1101 Walnut Street, Kansas City, Missouri 64106.

Joseph John Shindelar by: John M. Nolan and Harold M. Knoth, Attorneys at Law, Deere & Company, Moline, Illinois.

Reported by: Mervin E. Vaughn, Certified Shorthand Reporter.

* * *

[40] GUST SOTEROPULOS, called as a witness, having been first duly sworn, testified upon his oath as follows:

Direct Examination by Mr. Nolan:

* * *

[46] Q41. I hand you a document that's been previously identified as Shindelar Exhibit 2 and ask you whether you recognize this document? A. Yes.

Q42. Do you know who drew this particular drawing? A. GFM would be Gerald Meiers.

Q43. Do you know the approximate date when the drawing [47] was made? A. November 17th, 1972. I ask all of my men to put dates on their layouts, so I know that that was made then.

Q44. Can you tell me why this particular drawing was made? A. This is when we started to design—we call it Joe's machine, actually, this type of machine that would start the bale on the ground and lift it up at a predetermined diameter.

Q45. Can you describe what is shown in this drawing? A. This is the main frame of that particular machine.

* * *

[53] Q88. This machine that you observed in Florida, was it a machine for removing crop material from the ground and rolling it into large cylindrical bales? A. Yes.

Q89. Did this machine have a mobile frame? A. Yes.

Q90. Did the frame have opposite sides? A. Yes.

Q91. Did the frame have a shiftable rear gate structure? A. Yes.

Q92. Now, did the machine have a rear conveyor means including a first axially transverse rotary element? A. Yes.

[54] Q93. Did that rotary element extend between the opposite sides of the frame? A. Yes.

Q94. Did that machine have crop pickup means associated with the rotary element? A. Yes.

Q95. Did that pickup means engage crop material on the ground? A. Yes.

Q96. Did the machine have a drive means connected to the rear conveyor means and the crop pickup means so that the pickup means raised the crop material from the ground as the machine advanced? A. Yes.

Q97. Did the pickup means and the rear conveyor means initially roll the crop material along the ground into a spiral cylindrical bale? A. Yes.

Q98. Did the machine have a second axially transverse rotary element extending between the opposite sides forwardly of the first rotary element? A. Yes.

Q99. This rotary element, was it adapted to engage the forward side of the bale when the bale reached a predetermined size? [55] A. Yes.

Q100. When the bale reached the predetermined size, did the rear conveyor means raise the bale from the ground so that the bale was at least partially supported above the ground on the first and second rotary elements? A. Yes.

Q101. While it was so supported, did it continue to rotate and increase in its size as the machine continued to advance— A. Yes.

Q102. —and as the pickup means fed additional crop material to the bale? A. Yes.

Q103. Now, was on that machine the first rotary element and the crop pickup means mounted on the rear gate structure? A. Say that again.

Q104. Was the first rotary element and the crop pickup means mounted on the rear gate structure? A. Yes.

Q105. Were they shiftable with the rear gate structure from a lower operating position, wherein the pickup means engaged material on the ground, and an upward and rearward discharge position, wherein [56] the rotary element and the pickup means cleared the formed bale to permit the rearward discharge of the bale from the machine? A. Yes.

* * *

[57] Q116. After you sent the disclosure to the patent department and, say, in the ensuing two and a half years, did you ever see a machine in the field embodying this concept other than the machine that we talked about? A. No.

Q117. You saw no competitive machines embodying this particular concept? A. No.

Q118. Have you ever been the inventor on a patent application obtained through the Deere and Company Patent Department? A. Yes.

Q119. Approximately how many patent applications have you been the named inventor on? A. Oh, I quit keeping track of them. I think about twenty-five.

Q120. So you are familiar with the procedure for obtaining [58] a patent through the Deere and Company Patent Department? A. Yes.

Q121. Would you say from your personal experience with patent applications that a two and a half year period between the time when the invention disclosure was sent to the patent department and the actual filing date of the patent application was unusual? A. No, it wasn't unusual. As a matter of fact, it's probably more common that it would be that long.

* * *

IN THE
UNITED STATES PATENT AND TRADEMARK OFFICE

Before the Board of Patent Interferences

ADIN FRANK HOLDEMAN, et al,

vs.

JOSEPH JOHN SHINDELAR.

Interference No. 99,523

Deposition of Gerald Meiers, taken before Mervin E. Vaughn, Certified Shorthand Reporter, commencing at 10:55 a.m., July 19, 1977, at the John Deere Ottumwa Works, Ottumwa, Iowa.

Appearances:

Adin Frank Holdeman, et al, by: Gordon D. Schmidt and Stephen D. Timmons, Attorneys at Law, 1400 Mercantile Bank Tower, 1101 Walnut Street, Kansas City, Missouri 64106.

Joseph John Shindelar by: John M. Nolan and Harold M. Knoth, Attorneys at Law, Deere & Company, Moline, Illinois.

Reported by: Mervin E. Vaughn, Certified Shorthand Reporter.

* * *

[64] GERALD MEIERS, called as a witness, having been first duly sworn, testified upon his oath as follows:

Direct Examination by Mr. Nolan:

* * *

[69] Q37. I hand you a document that's previously been [70] identified as Shindelar Exhibit 2 and ask you whether you can identify this document? A. Yes.

Q38. Will you describe what it is? A. That is a welded main frame of this machine.

Q39. When you say "this machine," you're referring to the machine embodying the concept described to you by Mr. Shindelar? A. Yes.

Q40. Who prepared this drawing? A. I did.

Q41. Can you tell when you prepared it? A. Yes, 17th of November. It was completed the 17th of November of '72.

Q42. Did you make any other drawings of the machine at that time? A. Yes.

Q43. What would be on the other drawings of the machine? A. Well, this was a detailed—or, this was a layout, actually, of a machine and it was also used in the shop to weld up the main frame, but there would be other layouts that would show all of the—the complete machine broken down into areas like this main frame, a complete set of layouts and sketches.

Q44. But, from looking at this particular drawing, can [71] you tell that this was a machine embodying the concept that Mr. Shindelar described to you? A. Yes.

* * *

[73] Q63. Did you observe the machine in Florida? A. Yes.

Q64. How long were you in Florida? A. I was in Florida the one week.

Q65. During that one week period, did you observe the machine in actual operation in the field? A. Yes.

Q66. Did the machine actually form a bale? [74] A. Yes.

Q67. Did the machine work? A. Yes.

Q68. Did the machine initially roll the bale along the ground and, then, after it reached a certain size raise the bale and thereafter form the bale in a chamber above the ground? A. Yes.

* * *

Q74. I hand you a series of prints which have been [75] previously stipulated to be prints made from these slides and ask you whether these prints show the machine that was being tested in Florida? A. Yes, they do.

Q75. Does the machine shown in these prints embody the concept described to you initially by Mr. Shindelar? A. Yes.

* * *

IN THE
UNITED STATES PATENT AND TRADEMARK OFFICE

Before the Board of Patent Interferences

ADIN FRANK HOLDEMAN, et al,

vs.

JOSEPH JOHN SHINDELAR.

Interference No. 99,523

Deposition of John M. Nolan, taken before Mervin E. Vaughn, Certified Shorthand Reporter, commencing at 11:15 a.m., July 19, 1977, at the John Deere Ottumwa Works, Ottumwa, Iowa.

Appearances:

Adin Frank Holdeman, et al, by: Gordon D. Schmidt and Stephen D. Timmons, Attorneys at Law, 1400 Mercantile Bank Tower, 1101 Walnut Street, Kansas City, Missouri 64106.

Joseph John Shindelar by: John M. Nolan and Harold M. Knoth, Attorneys at Law, Deere & Company, Moline, Illinois.

Reported by: Mervin E. Vaughn, Certified Shorthand Reporter.

* * *

JOHN M. NOLAN, called as a witness, having been first duly sworn, testified upon his oath as follows:

Direct Examination by Mr. Knoth:

Q1. Will you state your name, please? A. John M. Nolan.

Q2. Would you give us just a brief summary of your education after high school? A. I have an Engineering Degree from the University of Notre Dame and also a Law Degree from the University of Notre Dame, which I received in 1957.

Q3. What is your present occupation? A. I'm a patent attorney employed by Deere and Company in Moline, Illinois.

Q4. How long have you been so employed? A. Approximately thirteen years.

Q5. What in general is the nature of your duties in the patent department? A. I prepare patent applications, primarily for inventions originating at John Deere Ottumwa Works and John Deere Harvester Works. I also am involved in some trademark work and from time to time I am [82] involved in patent litigation work involving Deere and Company.

Q6. Did you have any connection with the present interference? A. Yes, I was the patent attorney who prepared

the application and I have been working on the patent interference as well.

Q7. Are you the John Nolan identified in the Power of Attorney as well as in the Notice of Taking Testimony? A. Yes.

Q8. Could you give us a brief rundown of the organization of the John Deere Patent Department? A. The patent department is divided in a manner so that each patent attorney is responsible for patent matters arising out of one or more of the John Deere factories and in some cases an older or more experienced patent attorney has an assistant helping him with one or more of the factories.

Q9. Give us a general rundown of the docket system. A. Well, when a patent application—or, disclosure is received from a factory, the patent attorney normally fills out an information sheet and the information is then transferred to a computer and [83] each disclosure receives a file number as it—as it comes into the patent department.

Q10. I believe you're familiar with Exhibits 13 and 14? A. Yes.

Q11. Are those typical of the normal, routine invention disclosures? A. Yes.

Q12. Is there any system of taking up certain applications in any kind of an order? A. Yes, in a rather vague way. Normally, they're handled somewhat in the order in which they're received. However, there are many exceptions to that, primarily because some of the inventions embody machines soon to go into production or maybe even machines already in production. In this case, there is an approaching statutory bar so that that particular application or disclosure would have to be taken out of sequence.

Q13. Are you familiar with the procedures involved in filing applications in countries outside of the United States, particularly Europe? A. Yes.

Q14. Does that change the sequence of filing applications? A. Yes. If a patent application is going to be filed

[84] in foreign countries, it is necessary that the patent application be filed before the machine goes into production or is offered for sale and, therefore, that particular application, in many cases, has to be moved ahead of other applications.

Q15. Why is that particularly important with respect to novelty situations? A. Because in most foreign countries they have what is known as absolute novelty countries wherein the application has to be filed before the machine is publicly disclosed in any manner.

Q16. Referring again to Exhibits 13 and 14, go into a little more detail of particularly the date that the disclosure was received by the patent department. A. Well, this particular disclosure was received by me on January 19, 1973, as indicated by the date stamp on the cover letter and on the patent disclosure.

Q17. Now, I think you testified before that you would place it on your agenda? A. Yes.

Q18. Did you keep an agenda individually or separate from the other attorneys? A. No, only in that I retain the file in my possession and—I guess I would just leave it there. I [85] retain the file in my possession.

Q19. It would be correct to say that you are in control of the files from your particular factories, which you said were Ottumwa and Harvester Works? A. Yes.

Q20. Did you do anything with this disclosure after you received it other than place it in your file? A. Well, I don't have any specific recollection, except I do recall that at some time after receiving this I took the disclosure with me on a trip to Ottumwa Works and discussed the file with Mr. Shindelar and I believe Mr. Soteropulos, also.

Q21. You don't remember the date? A. I don't remember the date.

Q22. Did you ever make a search as to novelty and invention on this disclosure? A. I didn't personally. In some cases, I personally make a search. In other cases, especially

where I am involved in other matters and am short of time, I have other persons in the office make the search for me. In this particular case, I gave the file to one of our draftsmen and had him make a patent search through our own patent library in Deere and Company.

[86] Q23. I refer you to what I would like to have identified as Exhibit 15, Shindelar Exhibit 15, and ask you to identify that. A. Yes, this is a brief written search report that was made by Mr. Fred DePooter, who was the patent draftsman that I assigned to make the search.

Q24. That is dated? A. That is dated January 25th, 1974.

* * *

Q28. Now, it's a matter of record that the filing date of this application is in 1975, I believe? A. Yes, June of 1975.

Q29. Have you made any kind of a check at all on your docket looking at cases that were filed with reference to the order relative to the date of disclosure? A. Yes.

Q30. Do you find some that were submitted later, but [87] were filed earlier than the present case? A. There were some applications that I filed prior to this application that I did receive the—wherein I received the disclosure after I received this particular disclosure.

Q31. That were filed before this one? A. That were filed before this one.

Q32. Can you explain that? A. Yes. In each case where this occurred, there was an approaching statutory bar that I had to be concerned with and so I had to take the case out of its natural order.

Q33. Would you say that was kind of a normal or an abnormal procedure? A. This was normal procedure.

Q34. In that particular period between the date of the disclosure and the date of filing, do you recall any particular work other than prosecution of applications that would involve any portion of your time? A. Yes. We were—at that time I was directly involved in several patent litigation mat-

ters that took a large part of my time, one of them involving Hesston Corporation, the other party to the present interference.

[88] Q35. Did those situations take you out of Moline? A. Yes.

Q36. Was this a relatively extended or relatively short period? A. Well, the trips were usually, say, of less than a week's duration, but there was frequent trips involving interference—I mean, I shouldn't say interference—involving discovery depositions and similar matters. We were also preparing interrogatory answers and preparing interrogatories.

Q37. Having reference to the subject matter at hand, when did you first become aware of the Hesston application in interference? A. When we received the notice from the patent office instituting the interference proceedings.

Q38. You had never seen that application before? A. No.

Q39. Had you ever seen or had called to your attention the fact that there was in existence, if there was, in fact, the Hesston machine? A. No, I've never heard of the Hesston embodying the concept covered by this particular patent application.

Q40. Would it be correct to say that your decision to file the application was not spurred in any way by [89] the presence or absence of the Hesston machine? A. No, it was not spurred by the—not only the Hesston machine, it was not spurred by any other machine or any patent or machine on the marketplace.

Q41. So, so far as you're concerned, Joe Shindelar's invention was the first and only type involving that concept? A. Yes.

Q42. Had you had situations previously in your experience in which you had a gap of, say, two, two and a half years between disclosure and filing? A. Yes. This definitely wasn't abnormal. There are many instances where there's a longer gap between disclosure receipt and filing date.

* * *

APENDIX D

UNITED STATES COURT OF CUSTOMS AND PATENT APPEALS
717 MADISON PLACE NW.
WASHINGTON, D.C. 20439

November 20, 1980

George E. Hutchinson
Clerk

Telephone: 347-1552
Area Code 202

ROBERT S. SWECKER, ESQ.
BURNS, DOANE, SWECKER & MATHIS
George Mason Building
Washington & Prince Sts.
Alexandria, VA 22313

Re: Appeal No. 80-522
Shindelar v. *Holdman et al.*

Dear Mr. Swecker:

The court denied today the petition for rehearing in the above appeal.

Very truly yours,
/s/ George E. Hutchinson

GEH:df

cc: John M. Nolan, Esq.
Stephen D. Timmons, Esq.
William T. Bullinger, Esq.

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APPENDIX E

CONSTITUTIONAL PROVISION STATUTES AND REGULATIONS INVOLVED IN THE CASE

The United States Constitution:

The Patent and Copyright clause of Article I, Section 8:

The Congress shall have Power

* * *

To promote the progress of science and the useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries;

The Due Process Clause of Amendment V:

No person shall be . . . deprived of life, liberty, or property, without due process of law . . .

Statutes

28 U.S.C. §1256:

Cases in the Court of Customs and Patent Appeals may be reviewed by the Supreme Court by writ of certiorari.

35 U.S.C. §102(b):

A person shall be entitled to a patent unless —

* * *

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of the application for patent in the United States,

35 U.S.C. §102(c):

A person shall be entitled to a patent unless —

* * *

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(c) he has abandoned the invention,

35 U.S.C. §102(g):

A person shall be entitled to a patent unless —

* * *

(g) before the applicant's invention thereof the invention was made in this country by another who had not abandoned, suppressed, or concealed it. In determining priority of invention there shall be considered not only the respective dates of conception and reduction to practice of the invention, but also the reasonable diligence of one who was first to conceive and last to reduce to practice, from a time prior to conception by the other.

35 U.S.C. §135(a):

Whenever an application is made for a patent which, in the opinion of the Commissioner, would interfere with any pending application, or with any unexpired patent, he shall give notice thereof to the applicants, or applicant and patentee, as the case may be. The question of priority of invention shall be determined by a board of patent interferences (consisting of three examiners of interferences) whose decision, if adverse to the claim of an applicant, shall constitute the final refusal by the Patent and Trademark Office of the claims involved, and the Commissioner may issue a patent to the applicant who is adjudged the prior inventor. A final judgment adverse to a patentee from which no appeal or other review has been or can be taken or had shall constitute cancellation of the claims involved from the patent and notice thereof shall be endorsed on copies of the patent thereafter distributed by the Patent and Trademark Office.

35 U.S.C. §141:

An applicant dissatisfied with the decision of the Board of Appeals may appeal to the United States Court of Customs and Patent Appeals, thereby waiving his

right to proceed under section 145 of this title. A party to an interference dissatisfied with the decision of the board of patent interferences on the question of priority may appeal to the United States Court of Customs and Patent Appeals, but such appeal shall be dismissed if any adverse party to such interference, within twenty days after the appellant has filed notice of appeal according to section 142 of this title, files notice with the Commissioner that he elects to have all further proceedings conducted as provided in section 146 of this title. Thereupon the appellant shall have thirty days thereafter within which to file a civil action under section 146, in default of which the decision appealed from shall govern the further proceedings in the case.

Regulations

37 C.F.R. §1.56(a):

A duty of candor and good faith toward the Patent and Trademark Office rests on the inventor, on each attorney or agent who prepares or prosecutes the application and on every other individual who is substantively involved in the preparation or prosecution of the application and who is associated with the inventor, with the assignee or with anyone to whom there is an obligation to assign the application. All such individuals have a duty to disclose to the Office information they are aware of which is material to the examination of the application. Such information is material where there is a substantial likelihood that a reasonable examiner would consider it important in deciding whether to allow the application to issue as a patent. The duty is commensurate with the degree of involvement in the preparation or prosecution of the application.

37 C.F.R. §1.257(a):

(a) The parties to an interference will be presumed to have made their inventions in the chronological order of the filing dates of their applications for patents involved

in the interference or the effective filing dates which such applications have been accorded; and the burden of proof will rest upon the party who shall seek to establish a different state of facts.

37 C.F.R. §1.258(a):

> (a) In determining priority of invention, the Board of Patent Interferences will consider only priority of invention on the evidence submitted. Questions of patentability of a claim generally will not be considered in the decision on priority; and neither will the patentability of a claim to an opponent be considered, unless the nonpatentability of the claim to the opponent will necessarily result in the conclusion that the party raising the question is in fact the prior inventor on the evidence before the Office, or relates to matters which have been determined to be ancillary to priority and must be considered. A party shall not be entitled to raise such nonpatentability unless he has duly presented a motion for dissolution under §1.231 upon such ground or shows good reason (e.g., that such nonpatentability became evident as a result of evidence extrinsic to an involved application) why such a motion was not presented; however, to prevent manifest injustice the Board of Patent Interferences may in tis discretion consider a matter of this character even though it was not raised by motion under §1.231.